Nanette S. Edwards, Executive Director



CHRISTOPHER M. HUBER Deputy General Counsel for ORS

Office of Regulatory Staff 1401 Main Street Suite 900 Columbia, SC 29201 (803) 737-0800 ORS.SC.GOV

February 17, 2021

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE: Exploration of a South Carolina Competitive Procurement Program for the

Competitive Procurement of Energy and Capacity from Solar and Other Renewable Energy Facilities by an Electric Utility as Allowed by South Carolina Code Section 58-41-20(E)(2) (See Directive Issued on November 25, 2010)

Code Section 58-41-20(E)(2) (See Directive Issued on November 25, 2019)

Docket No. 2019-365-E

Dear Ms. Boyd:

Please allow this letter to serve as notification that the South Carolina Office of Regulatory Staff ("ORS") does not intend to file direct testimony or make a presentation at the generic hearing scheduled in the above-referenced docket for Tuesday, March 9, 2021. ORS does, however, reserve the right to file responsive testimony to any direct testimony submitted and to review any information presented at the hearing and provide comments in response.

This docket regarding exploration of a South Carolina competitive procurement program was opened on November 26, 2019. After opening the docket, the Commission issued Directive Order No. 2019-876 indicating it had "become apparent that competitive procurement overlaps several key subject areas that involve a great deal of complexity, including the IRP process, interconnection, energy storage, and queue reform, all of which this Commission will be considering in its Act 62-associated dockets." The Commission scheduled a generic workshop for January 27, 2020, to hear from interested stakeholders regarding how to create programs for competitive procurement and to learn more about the intricacies and interrelation of certain issues pertaining to competitive procurement. On January 22, 2020, the Commission issued Order No. 2020-55 cancelling the workshop. Instead of the workshop, the Commission requested that interested parties file suggestions for the next steps in the process.

Letter – Jocelyn G. Boyd, Esquire February 17, 2021 Page 2 of 2

ORS filed the attached letter on February 4, 2020, suggesting the electrical utilities and parties interested in the establishment of competitive procurement programs be required to submit comments to the Commission specifically addressing, but not limited to, ten (10) different topics.

On October 14, 2020, the Commission issued a Notice of a Generic Hearing scheduled for December 10, 2020. The Notice included testimony deadlines. On November 18, 2020, the Commission issued Directive Order No. 2020-779 directing the hearing set for December 10, 2020 be rescheduled and holding pre-filed testimony and exhibit deadlines in abeyance. The Commission issued a Rescheduled Notice of Generic Hearing on December 2, 2020, setting the hearing for March 9, 2021 and setting deadlines of February 22, 2021 for direct written testimony of interested stakeholders who intend to make a presentation and March 1, 2021, for responsive testimony of interested stakeholders.

ORS continues to recommend the Commission consider the ten (10) topics contained in ORS's attached February 4, 2020 letter, as well as the timing of the revision of the South Carolina Generator Interconnection Procedures ("SCGIP") in Docket No. 2019-326-E. Many of the topics listed in ORS's February 4, 2020 letter were encompassed in the list of examples of information the Commission requested be included in interested parties' comments, testimony, and exhibits in Directive Order No. 2020-779. The SCGIP revision that was approved on February 10, 2021, may have impacts on implementation and design of a competitive procurement program. In addition, the success of a utility's competitive procurement programs may be reliant upon any revisions to improve the fairness and effectiveness of the SCGIP.

Thank you for your consideration.

Sincerely,

Christopher M. Huber

cc: All Parties of Record (via e-mail)
David Butler, Esquire (via e-mail)



JEFFREY M. NELSON Chief Legal Officer

Office of Regulatory Staff 1401 Main Street Suite 900 Columbia, SC 29201 (803) 737-0800 ORS.SC.GOV

February 4, 2020

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire Chief Clerk & Administrator Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Columbia, South Carolina 29210

RE:

Exploration of a South Carolina Competitive Procurement Program for the Competitive Procurement of Energy and Capacity from Solar and Other Renewable Energy Facilities by an Electric Utility as Allowed by South Carolina Code Section 58-41-20(E)(2) (See Directive Issued on November 25, 2019)

Docket No. 2019-365-E

Dear Ms. Boyd:

On November 26, 2019, the Public Service Commission of South Carolina ("Commission") opened Docket No. 2019-365-E pursuant to Section 58-41-20(E)(2) of the South Carolina Energy Freedom Act ("Act 62" or the "Act"). The Act states:

"The commission is authorized to open a generic docket for the purposes of creating programs for the competitive procurement of energy and capacity from renewable energy facilities by an electrical utility within the utility's balancing authority area if the commission determines such action to be in the public interest."

On January 22, 2020, the Commission issued Order No. 2020-55 cancelling a workshop previously scheduled for January 27, 2020, to hear from interested stakeholders regarding how to create programs for competitive procurement and to learn more about the intricacies and interrelation of certain issues pertaining to competitive procurement. Instead of the workshop, the Commission requested that interested parties file suggestions for the next steps in this process.

The Office of Regulatory Staff ("ORS") suggests the electrical utilities and parties interested in the establishment of competitive procurement programs be required to submit comments to the Commission specifically addressing, but not limited to, the following topics:

Letter – Jocelyn G. Boyd, Esquire Page 2 of 2 February 4, 2020

- 1. Would a competitive procurement program be in the public interest?
- 2. What are the costs and benefits of competitive procurement to South Carolina customers?
- 3. What minimum guidelines, objectives, and timelines should be considered for any electric utility's competitive procurement program?
- 4. Are Commission regulations needed to implement competitive procurement?
- 5. What, if any, role does the revision of the South Carolina Generator Interconnection Procedures ("SCGIP") have in the implementation of competitive procurement?
- 6. What, if any, waivers of rules, regulations and/or utility code of conduct provisions are necessary to implement competitive procurement?
- 7. How would competitive procurement be structured, administered and facilitated by the utility or other third-party independent entity?
- 8. How would costs for administering a competitive procurement program be recovered by the utility in accordance with Section 16 of Act 62?
- 9. Have competitive procurement programs in other jurisdictions been successful in lowering energy costs to customers?
- 10. What lessons and/or best practices have been learned from competitive procurement programs in other jurisdictions?

While this is certainly not an exhaustive list of topics, comments on the topics above would be of great importance as the Commission considers whether competitive procurement programs would be in the public interest

ORS recommends the Commission consider the timing of the review and revision of the SCGIP in Docket No. 2019-326-E and the impacts to implementation and design of a competitive procurement program. The success of the utility's competitive procurement programs may be reliant upon any revisions to improve the fairness and effectiveness of the SCGIP.

Very Truly Yours.

All Parties of Record (via e-mail)

Joseph Melchers, Esquire (via e-mail)

cc: